

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1352 - HB 1290

March 17, 2013

SUMMARY OF BILL: Establishes a new procedure for the dissolution, surrender, repeal, or forfeiture of a municipal charter.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- This bill applies to all municipalities whose charters are surrendered, repealed, abolished, or forfeited on or after the effective date of this act; the bill does not apply to state government.
- According to the Comptroller of the Treasury, this bill will not fiscally impact the Agency as all operational activities occur within the county and the municipality.
- The bill establishes a special tax that will be levied on the citizens of the municipality that is dissolved in the event property and funds held by the dissolving municipality are insufficient to cover such municipality's outstanding obligations.
- The bill establishes a procedure to be used between local governments and property owners within the dissolved municipality and will only impact the expenditures and revenue occurring between a former municipality, a possible successor municipality, and the county where any dissolving municipality is located; as such impact is occurring between local government entities, the net fiscal impact to local government is considered to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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